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The Anschutz Corporation; Goldenvoice, LLC; AEG Presents, LLC;
and Coachella Music Festival, LLC*

UNITED STATES DISTRICT COURT

DISTRICT OF OREGON

PORLAND DIVISION

SOUL'D OUT PRODUCTIONS, LLC, an
Oregon limited liability company,

Plaintiff,

v.

**ANSCHUTZ ENTERTAINMENT GROUP,
INC.** (a Colorado corporation); **THE
ANSCHUTZ CORPORATION** (a Delaware
corporation); **GOLDENVOICE, LLC** (a
California company); **AEG PRESENTS,
LLC** (a Delaware company); and
COACHELLA MUSIC FESTIVAL, LLC
(a Delaware company),

Defendants.

Case No. 3:18-cv- 00598-MO

**DEFENDANTS' NOTICE OF
SUPPLEMENTAL AUTHORITY IN
SUPPORT OF ITS MOTION TO DISMISS
SECOND AMENDED COMPLAINT**

By Defendants Anschutz Entertainment
Group, Inc.; The Anschutz Corporation;
Goldenvoice, LLC; AEG Presents, LLC; and
Coachella Music Festival, LLC

Defendants Anschutz Entertainment Group, Inc.; The Anschutz Corporation; Goldenvoice, LLC; AEG Presents, LLC; and Coachella Music Festival, LLC (collectively, “AEG”), submit this Notice of Supplemental Authority in support of its Motion to Dismiss the Second Amended Complaint filed by Plaintiff Soul’D Out Productions, LLC. *See* ECF No. 37.

In *Ixchel Pharma, LLC v. Biogen, Inc.*, No. S256927, 2020 WL 4432623 (Cal. Aug. 3, 2020), attached as Exhibit A, the plaintiff appealed a ruling of the United States District Court for the Eastern District of California granting defendant’s motion to dismiss a tortious interference claim purportedly predicated on a violation of Cal. Bus. & Prof. Code § 16600. The Ninth Circuit certified a question to the Supreme Court of California regarding the applicability of Section 16600’s prohibition on restraints of trade to contracts between businesses. The Court held that restraints of trade in contracts between businesses are not *per se* unlawful under Section 16600. Rather, “section 16600 did not depart from the common law reasonableness standard for contractual restraints on business operations and commercial dealings. Section 16600 should therefore be read in accordance with the Cartwright Act to incorporate the same rule of reason in such cases.” *Id.* at *16-17 (noting that court was “mindful of the consequences of strictly interpreting the language of section 16600 to invalidate all contracts that limit the freedom to engage in commercial dealing”).

Each of the agreements challenged by Plaintiff in its Second Amended Complaint was entered into between businesses (e.g., Tank and the Bangas, LLC); the agreements were not with employees. Therefore, under *Ixchel*, the analysis of such agreements under Section 16600 is the same as the analysis under the Cartwright Act, California’s primary antitrust statute. This Court already has dismissed with prejudice Plaintiff’s Cartwright Act antitrust claims challenging the agreements, and Plaintiff did not appeal that ruling. *See* ECF No. 45. The Court also held that Plaintiff’s alleged antitrust claims therefore could not form the basis of a tort claim. *Id.* Following *Ixchel*, Plaintiff’s tort claims predicated on Section 16600 now should be dismissed with prejudice for the same reasons as their previously-dismissed antitrust claims.

DATED: August 17, 2020.

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CERTIFICATE OF SERVICE

I hereby certify that I electronically filed **DEFENDANTS' NOTICE OF SUPPLEMENTAL AUTHORITY IN SUPPORT OF ITS MOTION TO DISMISS SECOND AMENDED COMPLAINT** with the Clerk of the Court using the CM/ECF system which in turn automatically generated a Notice of Electronic Filing (NEF) to all parties in the case who are registered users of the CM/ECF system. The NEF for the foregoing specifically identifies the recipients of electronic notice.

DATED: August 17, 2020.

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